



March 20, 2012

Mr. Shawn M. Garvin  
Regional Administrator  
U.S. Environmental Protection Agency  
Region 3  
1650 Arch Street  
Mail Code: 3RA00  
Philadelphia, PA 19103-2029

Dear Mr. Garvin:

Thank you for a productive discussion on March 14, 2012, regarding supply and demand issues concerning low Reid Vapor Pressure (RVP) gasoline. As I explained, the Pennsylvania Department of Environmental Protection (DEP) is closely following the low RVP gasoline situation and we are in the process of evaluating alternative supply options for this summer, in light of the three refinery closures in southeastern Pennsylvania. In that regard, I am sure that both of us are aware of the somewhat pessimistic analysis of the Federal Energy Information Administration outlined in its February 2012 report entitled, "Potential Impacts of Reductions in Refinery Activity on Northeast Petroleum Product Markets" (EIA Report).

Given the realities outlined in the EIA Report, I am hopeful that you and Administrator Jackson will exercise appropriate discretion and latitude with respect to any requests which may come from Governor Corbett this summer for a waiver of the low RVP gasoline requirement of our Western Pennsylvania State Implementation Plan (SIP). As you know, this is a particularly sensitive issue with Pennsylvania residents and businesses in the seven county Western Pennsylvania region which includes Allegheny, Armstrong, Beaver, Butler, Fayette, Washington, and Westmoreland counties.

In this regard, I was encouraged that you raised in our discussion the potential use of reformulated gasoline (RFG) in Western Pennsylvania as an option for compliance with the Western Pennsylvania SIP. We agree with you on that point. I respectfully suggest that the RFG option be included in our list of alternative supply options we develop between now and the summer. We think that the use of RFG gasoline would be compliant with our existing Western Pennsylvania SIP. Indeed, while the low RVP requirement in the Western Pennsylvania SIP has been met in the past with the use of RVP gasoline with a RVP of 7.8 pounds per square inch (psi) per gallon, RFG actually has a RVP of significantly less than 7.8 psi per gallon. Our flexibility to use low RVP gasoline and/or RFG will go a long way toward assisting with compliance with our Western Pennsylvania SIP and would serve the best interests of the citizens of western Pennsylvania.

Mr. Shawn M. Garvin

- 2 -

March 20, 2012

Of course, we still might need to submit waiver requests to the Administrator if the supply situation of either low RVP gasoline or RFG becomes problematic and I remain hopeful that early discussions of this issue would yield solutions and results that are acceptable to all parties.

Thank you and I look forward to continued discussions with you on this issue.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael L. Krancer', with a stylized, flowing script.

Michael L. Krancer  
Secretary

cc: Lisa Jackson, Administrator, EPA  
Pennsylvania Congressional Delegation